COASTAL CONSERVANCY

Staff Recommendation April 6, 2023

NORTH FORK MATTOLE LAND CONSERVATION AND RESILIENCE PROJECT: PRE-ACQUISITION

Project No. 23-008-01
Project Manager: Su Corbaley

RECOMMENDED ACTION: Authorization to disburse up to \$41,200 to the Mattole Restoration Council to complete preacquisition activities for 52 acres of wetland, riparian, grassland, and forested habitat on the North Fork Mattole River in Humboldt County.

LOCATION: Petrolia, Humboldt County

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Photos

Exhibit 3: Project Letters

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed forty-one thousand two hundred dollars (\$41,200) to the Mattole Restoration Council ("the grantee") to complete preacquisition activities for 52 acres of wetland, riparian, grassland, and forested habitat on the North Fork Mattole River in Humboldt County.

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

- 1. A detailed work program, schedule, and budget.
- 2. Names and qualifications of any contractors to be retained in carrying out the project.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with Chapter 8 of Division 21 of the Public Resources Code, regarding reservation of significant coastal resource areas.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
- 3. The Mattole Restoration Council is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a grant of up to \$41,200 to the Mattole Restoration Council (MRC) to complete preacquisition activities (the "project") for 52 acres of wetland, riparian, grassland, and forested habitat on the Lower North Fork of the Mattole River in Humboldt County in order to determine the feasibility of the proposed acquisition. The 52 acres proposed for acquisition would result from a lot line adjustment of an historic 130-acre ranch comprised of one 80-acre parcel owned by Triple Junction Ranch LLC and eight smaller parcels owned by North Fork Mattole Ranch LLC (Exhibit 1). The landowners are willing sellers and will submit an application for the lot line adjustment in early 2023.

The acquisition would protect in-stream salmonid habitat and upland transitional riparian habitat and facilitate future habitat enhancement and development of new public riverwalk trails. The near-term goal is to acquire the property. MRC's longer-term goals for the property are to protect and enhance habitat, establish a 2.5-mile river-walk trail, and to create an education and research center that will provide workforce development in the severely disadvantaged community of Petrolia, and serve as an education, research, and job training center focused on community resilience and addressing climate change through habitat restoration.

MRC attempted to purchase the larger ranch property in 2020, but due to a delay in obtaining an appraisal that year, was unsuccessful; the ranch was sold to a group that has developed a permitted cannabis grow at the south end of the ranch. The project includes 1) an initial appraisal including the extraordinary assumption that lot line adjustment will result in a legal parcel for acquisition that is acceptable to MRC and the sellers; 2) legal assistance for a purchase Option Agreement while the parties complete due diligence during the lot line adjustment application process; 3) working with the Humboldt County Planning Department and landowners in securing a lot line adjustment; 4) a property appraisal to establish the fair market value of the newly created parcel; and 5) legal assistance for a purchase and sale agreement. MRC has raised private funds for the project, which will be used for the initial review appraisal (item 1). The Conservancy's grant would be used for the remaining project components -- all or part of items 2, 3, 4, and 5.

The Mattole River watershed is located in coastal Humboldt and Mendocino counties and supports three independent populations of federally-listed threatened salmonids: California Coastal Chinook salmon ("Chinook"), Southern Oregon Northern California Coast ("SONCC") coho salmon ("coho"), and Northern California steelhead ("steelhead"). SONCC coho salmon are also listed at the state level. According to the California Department of Fish and Wildlife's North Coast Watershed Assessment Plan (NCWAP, 2003) for the Mattole River, in 1960 USFWS estimated populations for the three species at 2,000, 5,000, and 12,000, respectively. Surveys in recent years document significant declines in Chinook and coho, with live adult Chinook populations ranging from 75 to 150 and live adult coho in the teens. Distribution of coho and Chinook in the Mattole River is also significantly reduced from estimated historic ranges, which for coho included the entire main stem and 33 tributaries, and for Chinook included the main stem and 27 tributaries. All juvenile Chinook, coho, and steelhead use the estuary and lowgradient tributaries like the lower reach of the North Fork for at least a brief time prior to ocean entry.

The Lower North Fork of the Mattole River historically provided suitable spawning and wetland rearing habitat for native salmonids and lies in a portion of the Mattole watershed where wetland rearing habitat is severely lacking and often disconnected from flowing waters. Climate change has exacerbated these conditions, and riparian cover and deep pools are needed to provide cool water habitat for longer into the summer season. There is therefore a need to restore and enhance wetland and riparian habitats for the Mattole River's threatened coho salmon, Chinook, and steelhead, improve fish and wildlife corridors to connect already conserved areas, and protect groundwater resources that support wetland habitat and other ecological functions. In the 87% privately-owned Mattole Valley, public access is largely unavailable – especially in the rural disadvantaged community of Petrolia, which lacks any public parks or trails near the town center.

If acquired and restored, the property will protect coho and Chinook salmon and steelhead trout habitat in a lower tributary to the estuary and will increase the availability of deep and cool pools and slack water slough channels. The site also provides the opportunity to develop riverwalk public trails and potentially a climate resilience education and research center that will advance the study of effects from and responses to climate change impacts in the southern Humboldt County region.

Site Description: The project site is located in the center of the unincorporated community of Petrolia in southwestern Humboldt County. Current conditions include open pasture used primarily for livestock grazing since the 1850s, riparian forest, and wetland habitat. The Lower North Fork of the Mattole River flows along the western edge of the property, with extensive riparian forests and wetlands (Exhibit 2). The entire reach of the Lower North Fork is a migration corridor for listed coho salmon, Chinook, and steelhead. The condition of existing riparian habitat is good with the notable exception of some invasive Eucalyptus trees. The condition of existing wetland, off channel, and in-stream salmonid habitat is poor to fair with significant restoration potential, including 5,666 feet of restorable stream habitat, and 11.35 acres of restorable wetland habitat (Exhibit 1, page 2).

Almost directly adjacent and upstream to the project location are two large, conserved ranches that straddle the Lower North Fork: the 2,113-acre North Fork Ranch protected under the Williamson Act, and the 1,532-acre Valley View Ranch, protected with a Conservancy-funded conservation easement. Acquisition of the project site would link in-stream, riparian, and wetland habitat across this conserved landscape, and future restoration would provide habitat connectivity between the mainstem Mattole and the already-conserved upstream reaches of the Lower North Fork. No public access amenities currently exist on the property.

Grant Applicant Qualifications: The Mattole Restoration Council is a nonprofit organization organized under U.S. Internal Revenue Code section 501(c)(3), working for more than 35 years toward the recovery of salmonid populations in the Mattole River. It is a member of the collaborative Mattole River and Range Partnership, an alliance of local nonprofit organizations working together to carry out enhancement activities in the Mattole watershed.

MRC has an experienced administrative and contract management team and is currently managing over 5 million dollars in secured grant contracts. These include grants for riparian habitat restoration, forest health, workforce development, invasive species removal, coastal prairie restoration, fire safety, landscape-level fuel break and wildlife corridor enhancement, ecological education, workforce development, and management of a native plant nursery and operations base. These represent nearly all aspects of the long term, multi-phase goals to be accomplished on the property they seek to acquire, conserve, and restore.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the "Consistency with Conservancy's Strategic Plan" section below.

2. Project is a good investment of state resources.

The proposed project will advance efforts to protect 52 acres of riparian, wetland, and upland habitat to benefit endangered coho salmon, provide riparian transitional habitat for terrestrial species, and alleviate localized flooding during extreme weather events, as well as provide the opportunity to develop public access trails. The lower Mattole and its tributary the North Fork Mattole have limited available backwater habitat for salmonids, including the threatened coho, to rear and overwinter before out-migrating to the Pacific Ocean. The future acquisition will support 30x30 Goals.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

MRC has engaged the Bear River Band of the Rhonerville Rancheria (Bear River Band) Tribal Council members, Tribal Historic Preservation Office (THPO) staff, and tribal members in face-to-face discussions, phone calls, and emails regarding the future of this property since before the initial attempt to acquire it in 2020. A longtime Bear River Band Tribal Council member who is of Indigenous Mattole descent sits on MRC's board of directors and was the first to point out the cultural significance of the site. Bear River Band's THPO director and staff work closely with MRC's existing Mattole Field Institute program.

MRC leadership has been cultivating a relationship with Bear River Band in order to pursue:

- Opportunities for tribal members to participate in workforce development trainings for fire and forest health-related careers;
- Opportunities for tribal members, staff, and members of the California Indian Basketweavers' Association to manage willows for traditional basketry; and
- Opportunities for tribal artists to create public storytelling installations near the site.

An MRC staff member participated as a student and guest presenter in the Tribe's Summer 2022 Archaeology field school held near the project site. During that 12-day field school, MRC staff had multiple conversations with Bear River Band THPO staff regarding this project, specifically discussing initial ideas about:

- Tribal capacity to co-manage the land;
- Tribal capacity to co-design programs for a potential education, research and job training center; and
- Bear River Band THPO interests in the historic cemetery on the site.

Since then, MRC staff have followed up on conversations and provided timely updates and sought feedback from tribal partners whenever there has been meaningful progress on this project. MRC staff also introduced Bear River Band and California Indian Basketweavers' Association staff/members to existing nearby public (but not publicized) areas containing significant culturally important plants. MRC has demonstrated to Bear River Band that they seek to empower and benefit the local tribe. The MRC's Mattole Field Institute currently engages Bear River Band staff and members as guest presenters, and the concept for a potential education and research center is being developed with as much Bear River Band tribal leadership as is available based on tribal capacity limitations and boundaries.

4. Project benefits will be sustainable or resilient over the project lifespan.

The benefits of this project will be sustained and resilient over the project lifespan because this investment in pre-acquisition planning will pave the way for acquisition. The benefits of this project will extend into perpetuity once the property is acquired. Future restoration and enhancement of wetlands, riparian areas, and stream channels, and removal of invasive plants, will improve resilience to climate change.

5. Project delivers multiple benefits and significant positive impact.

The project builds toward many benefits with positive impacts. Future wetland restoration and enhancement will increase carbon sequestration and will likely alleviate seasonal flooding on

Mattole Road that occurs within 700 feet of the Petrolia Post Office and General Store, thereby protecting community resources. Alleviating potential flood impacts will improve emergency vehicle access during floods. Long-term, acquisition of the property will provide an opportunity for the only accessible trail in the Petrolia community, as well as public open space and recreational amenities that will improve public health and deepen social connections as well as connections with the environment.

6. Project planned with meaningful community engagement and broad community support.

MRC has been working with the local community towards conserving this land since 2020. Due to a delay in an appraisal that year, MRC was unable to purchase the intact historic 130-acre ranch and it was sold to a group that has developed a permitted cannabis grow at the very south end. During that permit process and since then, MRC has participated in multiple meetings with concerned community members and local community groups who wish to see the rest of this land conserved and a climate resilience center created. Despite the complex nature of this acquisition – which involves a lot line adjustment in order to separate the permitted cannabis grow from the portion to be acquired – MRC is committed to seeing the process through because of the broad community support.

In 2022, meetings were held in which 18 local business or coop owners/members, 4 nonprofit organizations, representatives from the local fire department and local schools, and 15 individuals were interviewed to discuss local resilience needs. This provided the initial broad community input to begin conceptualizing this project. Also in 2022, MRC participated in a small group of local leaders/residents who organized evening gatherings to strategize how the community could be revitalized. On January 10, 2023, a virtual meeting of the King Range Alliance (4 local conservation-oriented nonprofits, plus US Bureau of Land Management King Range National Conservation Area staff) was held specifically to discuss local resilience needs and the status of this project. In late January, MRC hosted a focus group to broaden participation and hear perspectives on local resilience needs from unhoused residents, English as Second Language residents, high school youth, residents with disabilities, elders, and additional Bear River Band members and staff. MRC provided Spanish translation, food, and arranged for childcare if needed. Additional meetings are planned with Bear River Band staff and members who could not attend the earlier focus group.

PROJECT FINANCING:

Project Total	\$48,100
Landowner Cash	\$2,000
Mattole Restoration Council	\$4,900
Coastal Conservancy	\$41,200

The funding for the project is anticipated to come from a FY 2022/23 appropriation to the Conservancy from the General Fund for the purpose of climate resilience (Budget Act of 2022, SB 154 (2022)). These funds are available as described in Section 52 of SB 155 (2021), which

sets forth a detailed description of the purposes of the climate resilience funds, including projects that protect coastal habitat. The proposed project is consistent with this funding source because it will facilitate protection of coastal habitat that will build resilience for coastal communities and endangered species to future sea level rise.

MRC has secured \$6,900 to leverage Conservancy funds, including \$4,900 of PG&E Resilience Hubs Grant Program funds awarded to MRC and \$2,000 from the landowner.

Unless specifically identified as "Required Match," the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The project will be undertaken pursuant to Chapter 8 of the Conservancy's enabling legislation, Public Resources Code Sections 31350-31356, regarding reservation of significant coastal resource areas. Chapter 8 authorizes the Conservancy to award grants to nonprofit organizations to acquire property for certain purposes, including public recreation and protection of fish and wildlife habitat, that further the policies and objectives of the California Coastal Act of 1976. Pub. Res. Code §§ 31351, 31352(a)(1).

The project is consistent with the legislative intent expressed in section 31350 because it will help to acquire and protect key coastal resource lands that would otherwise remain inaccessible to the public due to continued private ownership.

Consistent with Section 31351(a), this project is the result of Conservancy cooperation with MRC, a nonprofit organization, and will ensure the reservation of real property interests for wildlife habitat protection and potential recreational uses, both of which meet the policies and objectives of the Coastal Act.

The Humboldt County Local Coastal Plan, South Coast Area Plan (LCP) discusses land use for this region of Humboldt County; below are the sections relevant to the project.

Section 3.41.A.1.b and 3.41.A.1.g of the LCP identify environmentally sensitive areas, respectively, as river and riparian habitat, and critical habitats for rare or endangered species on state or federal lists. The project will further efforts toward protecting and enhancing the river and riparian habitat of the North Fork Mattole River to benefit the listed species Chinook, coho and steelhead trout that inhabit and spawn in the Mattole River.

CONSISTENCY WITH CONSERVANCY'S 2023-2027 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 1, Objective 1.1**, the proposed project would benefit the systemically excluded community of Petrolia by incorporating the community's interests into the working concepts for the future uses of the property.

Consistent with **Goal 1, Objective 1.3**, the proposed project supports meaningful engagement by a systemically excluded community including the Bear River Band of the Rhonerville Rancheria, as described in Selection Criteria 3, above.

CEQA COMPLIANCE:

The proposed project is statutorily exempt from preparation of an Environmental Impact Report or Negative Declaration under the California Environmental Quality Act pursuant to 14 California Code of Regulations Section 15262, because it involves only planning and feasibility studies for potential future activities that have not yet been approved or funded. Upon approval of the project, Conservancy staff will file a Notice of Exemption.